

PAUL E. PATTON

For Immediate Release

June 26, 2002

Contact: Channell Barbour or Terry Sebastian (cell: 502-682-9405) at (502) 564-2611

700 CAPITOL AVENUE SUITE 100 FRANKFORT, KY 40601 (502) 564-2611 FAX: (502) 564-2517

Patton announces spending plan, reassures Kentuckians

FRANKFORT, KY – In an effort to reassure Kentuckians that the state will continue key services like law enforcement, child support and education, Governor Paul Patton today announced an \$18 billion spending plan that he will implement in absence of a state budget.

Through an executive order, Patton will operate the state with a detailed spending plan that closely mirrors the budget he offered the Legislature earlier this year during the 2002 General Assembly. When lawmakers failed to reach an agreement and pass a budget for the upcoming fiscal year that begins July 1, Patton developed a spending plan that continues the operation of state government.

"It's time today to ensure that we move forward as a state. As Governor, I am committed to keep state government operating smoothly so that we can continue our focus on the more important issues of quality jobs and quality education," Patton said. "What's important to the citizens is the future economic prosperity of our state -- people don't want to hear any more about the partisan bickering that has led us to this impasse."

With advice from his legal team, Patton said that as Governor he has the broad authority to operate government when the General Assembly fails to enact a budget. Accordingly, Patton created his spending plan by asking the Office of the State Budget Director (OSBD) to perform a detailed analysis to determine the specific provisions of the Legislature's budget bill -- House Bill 1 -- that could be incorporated into his spending plan, and those elements of HB 1 that could not be included in the plan.

"The governor cannot step into the role of the General Assembly so the plan I implement today will not include everything that a budget would include," Patton said. "Most notably are tax changes, bond issues and certain language provisions. My actions today, however, will ensure that the vital services of state government will continue to be delivered."

Patton added that his office has had ongoing discussions with Treasurer Jonathan Miller and Attorney General Ben Chandler as part of developing the spending plan, and he expects Miller will seek clarification from the courts concerning any legal questions surrounding Patton's action of developing a spending plan and issuing an executive order to implement it.

